

City of Springfield
Work Session Meeting

MINUTES OF THE WORK SESSION MEETING OF
THE SPRINGFIELD CITY COUNCIL HELD
MONDAY, DECEMBER 5, 2005

The City of Springfield Council met in a work session in the Jesse Maine Room, 225 Fifth Street, Springfield, Oregon, on Monday, December 5, 2005 at 5:30 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Fitch, Ballew, Ralston, Lundberg, Woodrow, and Pishioneri. Also present were City Manager Mike Kelly, Assistant City Manager Cynthia Pappas, City Attorney Joe Leahy, City Recorder Amy Sowa and members of the staff.

1. City Council Goal Setting.

Mayor Leiken said this would be the last Goal Setting Session that City Manager Mike Kelly would be part of as his retirement was effective December 6. He noted the many changes the city had faced and he thanked Mr. Kelly for his leadership and service to the community. Mayor Leiken acknowledged the incoming City Manager, Gino Grimaldi, who was in the audience. He thanked Mr. Grimaldi for attending the meeting.

Mr. Kelly said he and the past and present Mayor and councils did have a successful history together, partly because good planning was used. He said as council set new policy direction, staff followed that direction and many things began to happen. He noted the value of the goal setting sessions and the focus it brought to staff for the coming year.

Mr. Kelly introduced Steve Bryant, facilitator for tonight's meeting and past City Manager of Albany. He said Mr. Bryant retired about six months ago after serving for sixteen years as the City Manager in Albany. Mr. Kelly said Mr. Bryant was knowledgeable in city government and would soon be acting as the Interim Director of the League of Oregon Cities (LOC). Mr. Bryant had met with Springfield's Executive Team (ET) and council leadership to review the material for tonight's meeting. Mr. Kelly said Mr. Bryant knew local government and was somewhat familiar with Springfield because of the contact he and Mr. Kelly had over the years.

1. Review Agenda

Mr. Bryant offered his congratulations to Mr. Kelly upon his retirement. He said he respected Mr. Kelly's work and noted they had shared information in the past. Mr. Bryant described his job as the facilitator for tonight's goal setting session. He said he was impressed with the staff work that had gone on and the accomplishments of Springfield. He said he wanted to make sure everyone was heard, ideas were put on the table and the outcome was what council wanted. He said they would spend some time looking back before looking forward. He acknowledged that Springfield was facing a lot of issues, similar to issues being faced in other communities in Oregon, and there were challenges ahead. He discussed competing priorities and noted that realistically there were limits to what could actually be done due to fiscal constraints, human resources available in the organization and political realities.

Mr. Bryant asked council to review the agenda to make sure it was consistent with what the council wanted to accomplish through this goal setting session.

Councilor Ballew said she felt the agenda packet was weak on figures. She said she would like to see more cost benefiting. She did not like the homework assignments.

Mr. Kelly explained the homework assignments and that they were a way to be prepared ahead of the meeting to allow the meeting to move forward more efficiently.

Councilor Ballew said she did not feel all of the gold stars needed to be included in the agenda packet.

Mr. Kelly said that information was provided as a look back, a look at the present and a look to the future. He said a slide show would be presented to show what accomplishments had been made in the last year within the gold stars. The gold stars were just listed as reference.

2. Springfield Now and Tomorrow

Community Relations Coordinator Niel Laudati presented a power point presentation entitled "Springfield Now and Tomorrow" which gave a visual of the accomplishments of the City of Springfield over the past four years. Mr. Laudati said the slide show was only about four minutes long and would give council a chance to reflect on some of the accomplishments of the city in 2005.

Mr. Bryant stopped the slide show presentation at the portion entitled "Opportunities and Threats". He said council would be discussing that further in the meeting. He asked if anyone had any comments of the first part of the slide show.

Mayor Leiken said it was interesting to see this in a slide show. He said as busy as everyone was, it was easy to forget the accomplishments made by the city. He said the accomplishments were a team effort between council as policy makers and the city staff and that was what set Springfield apart from other communities in Oregon. He said personal agendas were left at the doorway and council focused on what was best for the citizens and the community. He discussed some of the threats, including the budget, and the report presented by the Fire and Life Safety Blue Ribbon Panel. He said the city had been able to overcome many of the challenges. He said there were disagreements, but no grudges. He said the city had accomplished a lot as a team and as an organization.

Councilor Ballew said the slide show was done very well. Seeing it at one time was a reminder of how much investment had been going on in Springfield. She said it was something to be proud of to see the accomplishments.

Mr. Bryant said Springfield was a city on the move and was actively seeking out development and looking to grow in the right ways and making smart decisions about the future.

Councilor Ballew asked if there were some things that were not private industry that should have been highlighted. She asked about internal accomplishments.

Mr. Bryant said the gold stars list enclosed in the packet included many of those types of things.

Councilor Fitch said the slide show may not have shown the things that were harder to show, such as the stresses growth put on all of our systems in transportation, staff and other areas.

Councilor Woodrow said in addition to those highlighted items shown in the slide show, staff did their regular work as well.

Mr. Bryant referred to Item 2 in the agenda packet which outlined the opportunities and the threats that were ahead. He said the opportunities listed had come from previous work done in the community. The purpose was to identify new opportunities and to make any changes to those listed.

Opportunities

Discussion was held regarding the opportunities listed in the packet with the following comments and changes.

Community Development

- Complete the Jasper-Natron area infrastructure (*keep as is*)
- Redevelopment of the McKenzie-Willamette Campus (*keep as is*)
- Create showcase riverfront in Glenwood (*keep as is*)
- Incorporate interchange development in the design of the new I-5 bridge to support Glenwood redevelopment (*keep as is*)
- Build a conference center (*Council said it sounded like it was something the city would be building. They addressed this issue in more detail under targets.*)
- Add **“Expand Nodal Development”** (*Addressed in targets*)
- Add **“Regional/BLM/Forest Service building as resource for city in terms of partnering in building it, but also addressing needs for space, etc.”**
- Add **“Expand UGB and buildable lands”** (*Addressed in targets*)
- Add **“Redevelopment of Booth Kelly”**

Public Safety

- Improve personal and property safety/protection by constructing and staffing a justice center and jail, and renewing police and fire levies in November 2006 (*keep as is*) (*Council noted the funding for the operation of the jail had not yet been identified.*)
- Stabilize ambulance services by ~~increasing user fees and~~ implementing recommendations in the Emergency Medical Services report

Livability

- Complete Rivers to Ridges trail system (*keep as is*)
- ~~Build partnerships to fund a community-wide sustainability initiative~~ **Encourage low impact development where appropriate**
- Develop incentives and technical assistance to preserve our view sheds, ridgelines, and riparian areas (*keep as is*)
- Add **“Ask TEAM Springfield to examine school boundaries between 4J and Springfield”** (*discussion was held regarding the issue of tax funds that would or would not be affected if the boundaries were changed to include students in the Glenwood and Gateway areas into the Springfield School District. Discussion was also held regarding the complexities of changing boundaries.*)
- Add **“Cultivate private partnerships”**

- Add ***“Encourage Neighborhood Organizations”***

Arts, Culture and Recreation

- Expand library hours and programming *(keep as is)*
- Expand arts and cultural venues in the downtown core *(keep as is)*
- Explore feasibility of a golf course in the Jasper-Natron or McKenzie-Gateway areas *(keep as is)* *(Council held discussion regarding whether or not this would be a public or private golf course. Consensus was that it would need to be private.)*
- Add ***“Partner with public and private agencies to accomplish the opportunities listed in this section”***

Community Engagement

- ~~Expand TEAM Springfield through inclusion of other community groups.~~ ***Continue to utilize TEAM Springfield to increase the efficiency and effectiveness of government and enter into new partnerships***
- ~~“Develop a civic academy to build future leaders”~~ *(that is a Chamber activity)*
- Expand electronic access to government *(keep as is)*
- Develop community image to celebrate Springfield’s identity *(keep as is)*

Mr. Bryant clarified that the opportunities were not goals for the council, but rather opportunities that could be considered when council made their goals.

Our Threats

Reduced Public Safety

- ~~Loss~~ ***Lower level*** of ambulance services
- Public safety at risk if adequate ~~justice center~~ jail facilities not built and staffed
- Add ***“Exterior threats with loss of Oregon State Police officers for back-up”***
- Add ***“Potential loss of Police and Fire levies should they fail”***

Loss of Local Control

- Metro Plan limits Springfield’s autonomy *(keep as is)*
- Unfunded mandates *(keep as is)*
- Fragile regional intergovernmental relationships *(keep as is)*
- Property tax compression (Ballot Measure 5) *(keep as is)*
- Add ***“Consumption of staff resources for continual updates (Metro Plan, TransPlan, etc.) due to mandates”***

Declining Public Services

- Operational expenses rising faster than revenues – leading to service challenges *(keep as is)*
- Inadequate maintenance funding for public infrastructure (natural and constructed) *(keep as is)*
- Add ***“Threats to Library Service and other non-mandated services”***

Economic Instability

- Community impacts of declining surface water quality *(keep as is)*
- Inadequate road capacity to meet growth needs *(keep as is)*

- Economy at risk if workforce can't meet needs of increasing job requirements (*keep as is*)

Council discussed the need to prioritize services by importance and the number of people served.

Mayor Leiken said declining public services could be related directly and indirectly to the fragile regional intergovernmental relationships. He said there should be opportunities where resources could be leveraged between the different governmental jurisdictions, but instead there was too much fighting. Through healthy relationships among government agencies, there was an opportunity to make things better.

3. Gold Stars, Goals and Targets Update

Council discussed the Council Five Year Goals and made the following comments and changes:

- Provide financially sound, stable city government (*Discussion was held regarding whether or not to combine this goal with the next. Council consensus was to keep both of them as they were.*)
- Utilize resources efficiently and effectively to meet citizen needs for core services (*keep as is*)
- Expand the Springfield economy through commercial and industrial development which creates family wage jobs (*keep as is*)
- ~~Enhance Springfield's safety by constructing the Justice Center~~ **Increase public safety in Springfield**
- ~~Participate in a renaissance for Springfield~~ **Facilitate the redevelopment of Springfield**
- Partner with citizens and other public agencies **to leverage resources**
- Preserve our hometown feel as we grow (*keep as is*)

Council asked to have the goals sign framed.

Council discussed the Targets as listed on the attachment labeled Item 3, pages 15 – 30 in the agenda packet. They made the following comments and changes.

- Target #1, Glenwood Development (no change)
- Target #2, Gateway Development (no change)
- Target #3, Downtown and Mill Race: Redevelopment (no change)
- Target #4, Jasper-Natron – move off of the one-year target list to “other” targets
- Target #5, Regional Wastewater Partnership: MWMC Facilities Plan Implementation (no change)
- Target #6, Provide urban improvements to South 42nd Street (no change)
- Target #7, Complete review of PeaceHealth master plan (no change)
- Target #8, ~~Allocate staff resources to~~ **Support review of the** feasibility of a Conference Center (*Mayor Leiken noted the upcoming 2008 Olympic Trials that would be held in Eugene that would bring a large economic impact to our community. Council discussed the importance of encouraging this type of development, without being in the lead.*)
- Target #9, Identify **and determine** operations funding for the Jail

- Target #10, ~~Investigate the possibility of a Metro Plan amendment to pursue formation of a Library District to have the same boundary as Springfield School District #19~~
Determine the future of a Library District
- ~~Target #11, Comp Plan, Pursue completion of the remaining Periodic Review tasks that involve Springfield~~ – Remove
- Target #12, ~~Designating~~ **Implement remaining** Nodal Development ~~areas in fulfillment of TransPlan~~
- ~~Target #13, ESA Code Amendments, Phase 2~~ – Remove
- Target #14, TEAM Springfield (no change)
- **Target #15, Revise and implement an Emergency Management Plan (new goal recommended by staff).** (Council discussed whether or not we already had an Emergency Management Plan. Ms. Pappas noted that a plan had been in place, but a new updated plan was being drafted and reviewed by staff and would be brought to council for approval in 2006. Ms Pappas also noted that this new plan was created around the same template as the City of Eugene and Lane County, so should be seamless.)
- **Target #16, Establish external and internal communications interoperability. (new goal recommended by staff)**
- **Target #17, Conduct council discussion of service priorities (new goal recommended by council)**
- **Target, Develop WiFi areas within Nodal Developments (new goal recommended by council. To be moved to the “other priorities” section)**

Council consensus was to combine the Top Priority and High Priority items under the heading “Council Priorities”.

Council took a break from 7:10 p.m. – 7:25 p.m.

4. Three Year Financial Forecast Summary

Finance Director Bob Duey presented this item. Mr. Duey said the information to be presented was a brief look at what would be discussed during the Budget Committee meeting on Tuesday, December 6. He said tomorrow night’s Mid-Year Budget Committee meeting was a check-in to give staff the information needed to prepare the budget for the following year.

Mr. Duey discussed the attachment in the agenda packet labeled Item 4 - Attachment 1, General Fund Long Range Projections. He said the information was put into two scenarios, Scenario 1: Moderate Costs of Service Increases and Scenario 2: Higher Cost of Service Increases. He said the major difference between the two was the labor costs. He said there were no labor contracts in yet for July 1, 2007. Three open contracts would expire June 30, 2006 and one contract had expired on June 30, 2005 and was still open. Labor costs would be a big factor in estimating the projections.

Mr. Duey discussed Scenario 1 and described how staff came up with the figures. He discussed the projected deficit for FY07 of \$1,260,000, which was close to what had been given to council a year ago. He said the budget process would include getting direction from the Budget Committee on what needed to be done to close that deficit. He referred to the reserves that would be left if all of the funds to make up the deficit came from the reserves. He discussed options

council had to address the deficit. He discussed the bottom portion of the page which showed different options for across the board reductions to make up the deficit.

Mr. Duey discussed Scenario 2, which included higher projected labor costs, bringing the deficit to \$2,050,000. He discussed the negotiations with the unions and how those often progressed. He said they received the highest rise in assessed valuation since the late 1990's, which equaled about a six percent gain. He said that allowed property tax projections to be raised. He discussed some of the other projected revenues. He said labor costs and property taxes were the two biggest issues.

Mayor Leiken discussed the possibility of a for-profit hospital going in at Glenwood and the amount of tax that would add to the tax rolls.

Discussion was held regarding a large taxpayer going in to Glenwood and the Urban Renewal District. Any additional tax increment would go into the Urban Renewal District while it was still in place.

Mr. Tamulonis said the potential hospital would generate about \$2.5M per year which would go into the Urban Renewal District while it was still in place.

Development Services Director Bill Grile noted that the Urban Renewal District could be terminated early with enough revenue to pay off any debt.

Councilor Lundberg asked if the hospital was eligible for enterprise zone.

Mr. Tamulonis said hospitals were not eligible under state law.

Councilor Ballew referred to Scenario 1 and said the gap looked like it was about four percent. She said she would expect it to be about three percent since the expenditures were increasing six percent and revenues about three percent. She asked if the city was getting farther behind.

Mr. Duey said he didn't think it meant the city was getting further behind. He said each year the revenue growth was different. He said he could run some numbers.

Councilor Ballew asked about appraisers that were to assist the city in determining property values. She asked if that affected the increase in the assessed value.

Mr. Duey said they had not yet been hired. He felt the increase was due to the large amount of development that had taken place over the last year.

Councilor Ballew asked for information on enterprise zone (EZ) businesses and when they would be on our tax rolls.

Mr. Duey said Mr. Tamulonis was compiling that information.

Councilor Fitch asked about looking into using traffic cameras to assist with certain traffic infractions to cut down on the number of officers needed. She asked for information for tomorrow's meeting about what percentage of the \$11M listed on the attachment were traffic

officers, what the cost of going electronic was, and what had been the increase or decrease in revenue for cities that had gone to the electronic operations.

Councilor Woodrow asked what the increase in taxes was from McKenzie Willamette since they went to a for-profit from a non-profit.

Mr. Duey said it was about \$324,000.

Councilor Pishioneri asked if there was anything Public Works was doing with dedicated Road Funds that could pay for other things that other departments were doing. He asked about cost sharing among departments.

Mr. Duey said staff would look into that.

Councilor Lundberg said in reviewing the targets, she noted that there were two meetings of TEAM Springfield each year and she would prefer only one each year in January. She said one would be sufficient and it could cut down on staff time in coordinating these meetings. She also suggested the Public Safety Coordinating Council (PSCC) downsize to about one-third of what they were now. She said they could still accomplish what was state mandated. She would also like to see Region 2050 downsized. Those could have budget implications.

Councilor Pishioneri asked if expanding the buildable lands or the urban growth boundary (UGB) would increase our tax receipts.

Councilor Ballew said it may be offset by the infrastructure costs.

Mr. Duey said one of the issue papers in tonight's material was to proceed with that type of study.

5. 2006 Operations and Policy Issues

Mr. Bryant presented the issue papers included in the council packets. He said the first four were budget policy issues, the next four were electoral issues and the last group were opportunities that needed to be addressed.

- FY07 Budget Priorities Memo w/the Following Attachments:
 - A. Matrix of FY07 Budget Priorities for Voter Consideration
 - B. Fire & Life Safety Blue Ribbon Recommendations – Issue Paper
 - C. Dispatch Services – Issue Paper
 - D. Library Levy – Issue Paper
 - E. Fire & Life Safety Local Option Levy Renewal – Issue Paper
 - F. Police Local Option Levy Renewal – Issue Paper
 - G. Jail Operations Funding – Issue Paper
 - H. Buildable Lands Inventory/UGB Expansion Strategy – Issue Paper
 - I. Building Preservation – Issue Paper
 - J. Building Space Requirements – Issue Paper
 - K. BLM/Forest Service Pass-through Financing – Issue Paper/Letter

Councilor Ballew asked if these would also be discussed tomorrow during the Budget Committee.

Mr. Kelly said these would be council decisions tonight and those decisions would be brought back to the Budget Committee tomorrow night.

B. Fire & Life Safety Blue Ribbon Committee Recommendations

Council discussed Option 4 (combine options) and how the different options would affect the others.

Mr. Bryant asked if initially council was against cutting any staffing from the fire stations, but might consider it if necessary.

Councilor Ralston said it was important to account for funds that came in through Fire and Life Safety and give them credit for that. He said he felt that would show that F&LS and Emergency Medical Services (EMS) were not running the deficit projected. He said it was not taking money from the General Fund and shifting it around, but rather identifying where the money was coming from. He said it should only be Option 1 (increase revenue production in Fire and Life Safety).

Councilor Ballew said there was still about \$400,000 the committee couldn't find.

Mr. Bryant said Councilor Ralston wanted to account revenues to show where money was really coming from and going.

Councilor Ralston said that would help prioritize things and would show the value in the whole system.

Councilor Woodrow asked about the reallocation.

Mr. Duey said it could take a number of forms. He gave an example of moving the dispatch contract to the General Fund. He said reallocation could be among F&LS accounts or between F&LS and other departments. He said there could also be reallocation of how the indirects were paid.

Councilor Woodrow asked if allocated expenses were distributed to all departments with the same formula.

Mr. Kelly said there was a certain amount of overhead to run the building. He said that cost was evenly distributed throughout the departments. He acknowledged that reducing the share F&LS paid would increase the cost to other departments. He said each department had not been given credit for all of the revenue they brought in because there were departments that were not able to raise revenue.

Councilor Woodrow said citizens voted for the levy to re-staff a fire station. He said he was not willing to cut staff at those stations while citizens were still paying on that levy. He discussed the issues of other F&LS positions that had been cut. He said he didn't believe the overhead could be cut anymore and he was not willing to cut staff.

Councilor Pishioneri said he agreed with Option 1. Council needed to look at everything thoroughly. He discussed his issues with Option 2 (re-allocate financial resources within the General Fund). He said he would like to look deeper at Option 3 with a staffing analysis. He

said he would like staff to look at ways to reduce costs without reducing positions and he would like a more detailed analysis of cost operations of F&LS.

Mr. Bryant asked if Councilor Pishioneri would like to reword Option 3 to say “review F&LS cost allocations”.

Councilor Pishioneri said he wanted a comparative analysis of what was being done now, how many net annual work hours were being paid for individuals, and how many annual work hours could be reduced by eliminating or reducing overtime by different shift configurations.

Mr. Bryant acknowledged that council wanted to see a more detailed analysis of cost allocations within the fire department.

Councilor Pishioneri said he was not saying it was being done wrong, but he wanted the information to support how it was being done so he could have a better understanding.

Mr. Kelly said staff had good information on that and would provide it to council.

Mr. Bryant confirmed that council wanted to push Option 1 as far as possible and then make further decisions based on staff information. They wanted to see further information on how the costs were allocated and if there were opportunities for policy changes that might cause more efficient operations. He asked if there was support for any other option.

Councilor Fitch said as long as a levy was in place staffing could not be reduced.

Councilor Ralston said he was confident that Chief Murphy would bring the information to the council. If the F&LS received credit for what they really brought in, council would see F&LS was self-supporting.

Councilor Lundberg asked where the levy was in the analysis. She asked if this would override the levy.

Mr. Kelly said if the levy did not pass, the positions supported by the levy would be cut or cuts would be made in other parts of the city budget.

C. Feasibility of Dispatch Services

Council consensus was to go with Option 2 – Conduct feasibility for switching the dispatch contract to Springfield Police.

Mr. Duey referred to the matrix on the next four items as outlined in Item 5, Attachment A. He discussed how the four related to each other and timelines for getting them on the ballot. He discussed the amounts of each levy and what the existing levies covered for staffing and costs. He discussed the options for Jail Operations funding. The Jail Funding Committee wanted to put a measure on the May 2006 ballot as a stand alone issue with an income tax. That would allow them a fall-back plan to put an income tax in September or a property tax in November 2006. He said it was important to look at all four potential ballot items at once to determine the course.

Councilor Ballew asked about the cost of each levy for the average home of \$150,000.

Mr. Duey answered her question. He said in order to put something on the May 2006 ballot, staff would need to start getting prepared now. He said the biggest competition for the May ballot would be the library, jail funding and the county measure. The library would require a ballot title and resolution to come to council in January for adoption prior to the filing deadline. He discussed issues with putting a measure for jail operations funding on the ballot too close to the deadline and the need for public education for a successful measure. He said there was a lot of research that needed to be done for an income tax proposal. Staff could bring it back to council in January for the first review and to the final ballot title by March 9, the deadline for filing. He said having both on the same ballot could be problematic. If the measure for the jail funding was unsuccessful on the May ballot, it could be brought back in November, which would be the last date to approve funding for the jail to allow construction of the jail in conjunction with the rest of the justice center. If jail funding was to go on the fall ballot, it would be in competition with the fire and police levies. The committee was not in favor of combining the police and the jail into one levy. He said all three may need to be scaled back in order to get any of them passed.

Mayor Leiken said there was a challenge with the county measure. He discussed the amount the county measure would cost and the possibility of a property tax reduction. He said that put the city in a predicament and at risk. He discussed the history of the county with previous measures. He said the question was whether or not the city should go out with a competing measure to fund the jail, wait for the county or bring a measure out in September. He said decisions needed to be made quickly.

Councilor Woodrow suggested putting the library levy off until next year, funding the library the best they could in the coming year. He said his opinion was to go out in May 2006 for a four-year levy to fund the jail. He said it wasn't the best thing, but he believed the voters would pass it because it would be dedicated. He would suggest putting the police and fire levies on the ballot in November. The citizens had said what they wanted regarding police and fire and a jail. He said he did not think an income tax would pass.

Councilor Lundberg said there were too many things out for election in the coming year, including possible measures from the School District and Willamalane. She said she would agree that the library levy should wait another year. She said she sat on the jail operations and public safety committees and had grave concerns regarding the county's measure. She said the Jail Operations Funding Committee discussed the timing thoroughly to optimize the voting timeframes. She said of all the taxing options, the levy was more understood and supported, although it was not permanent. She said there was too much confusion if a measure was put on at the same time as the county measure. She said there was a higher level of support for both the police and jail, although nothing got a lot of support. She said she would support going out for the three levies in 2006, and waiting on the library levy.

Councilor Ralston agreed the library levy should be delayed one more year. He said income or sales tax would not be supported in Springfield. He said there was more support for property tax levies than for any other option. He discussed combining the police levy with a jail operations funding levy. He said he believed there was overwhelming support for both the fire and police and combining the jail with the police levy would send a clear statement. He said he didn't think the county had a chance to pass their measure. Springfield should put their measure out before the county.

Councilor Fitch agreed four measures was too many and the library levy should be put off until 2007. She did not support funding the jail operations with a levy. To invest that type of capital on a four year levy was not appropriate. She said a good solution was found for the road maintenance problem with the gas tax and she would suggest looking at a charter amendment for a user fee, user tax, or a utility tax. She agreed personal income tax had a bad connotation in Oregon. She said there had to be a way to balance the income necessary between individuals and businesses. She said she would have a hard time supporting a levy. She said they needed to look at the cost savings if a jail was in place. Those savings could affect the cost for the police levy or jail operations cost. She discussed the electronic capabilities that could lighten the load on actual officers, freeing them up for these other things.

Councilor Lundberg said she did not want to combine the police levy with a jail levy. She said Councilor Fitch made a good point that putting a huge capital investment with levy dollars was hard to justify. She said, however, there was not a great deal of support for any taxing measure. She discussed a surcharge on insurance or some other option. She said she could support something like that. Other permanent funding options needed to be considered.

Councilor Fitch discussed the three cents gas tax and what it had done to help the road fund situation. She said something similar could be dedicated to public safety.

Councilor Woodrow agreed the two levies shouldn't be combined. He also agreed about using a levy for jail funding. As a business standpoint it was a high risk. He said, however, a levy would buy four years to find a solution that would work. He said he would suggest the levy for the jail funding go out in May 2006 at the same time the county measure was on the ballot. It would buy four years of operations and time to resolve the problem.

Councilor Fitch voiced concern that once the money from the levy was there, finding a permanent solution would be put off. She referred to Lane County's SERBU youth facility that still sat empty because of lack of funding for operations.

Mr. Kelly said council would come back in January following recess. He discussed the short timeline for a measure to go on the May ballot. If council was not able to come to a decision to get something on the May ballot, they could establish a fee without referring it out to a vote, but there would be no time for anyone to file a referendum.

Mr. Bryant referred to a matrix he created on the proposed ballot items.

D. Library Levy – put off until 2007

Mayor Leiken said the Library had been put off too long. If council said they would put it on in 2007, they needed to put it on in 2007.

Discussion was held regarding the possibility of a Library District and the outcome of any measures in 2006.

E. Fire & Life Safety Local Option Levy Renewal

F. Police Local Option Levy Renewal

Mr. Kelly said staff had taken the existing levies and forecast them to future costs based on inflation. They were not the staff recommended amounts, but were the status quo for the same services provided in the original levies.

Councilor Fitch asked how much all three levies would be per thousand.

Mr. Bryant noted the figures on the matrix:

Fire Levy = .42/thousand (which equals about \$1M per year)

Police Levy = .75/thousand (just less than \$2M per year)

Council consensus was that the Fire and Police renewal levies would go on the November 2006 ballot.

G. Jail Funding

Mr. Bryant said council needed to determine what mechanism would be used and when it would go to a vote or approval.

Mayor Leiken discussed the timing of a levy that was passed in May 2006 when the justice facility wouldn't be completed until 2008. He asked if that meant the city would only get two years from that levy.

Mr. Duey said a levy passed in May 2006 would go into affect July 2006 for FY06-07, but the city could choose not to levy it that year. If they passed a five year levy rather than a four year levy, they would have FY08, 09, 10, and 11 to use the funds. The first year, part of it could be levied for start-up staff training, leaving two full years of operation before it was renewed in 2010 for FY10-11.

Mr. Bryant asked if there was consensus to put something on the ballot in May 2006.

Councilor Lundberg noted that the reasoning for putting something on in May was that if it didn't pass, there would still be time to put something on the November 2006 ballot.

Mr. Kelly said if there was funding prior to the construction of the jail, the city could buy additional beds from the county in the interim.

Councilor Ballew said permanent financing would be best, but she didn't feel the voters would support permanent funding. If the voters didn't approve it, the jail wouldn't be built. The May election would be a good trial.

Councilor Fitch said she agreed something needed to be done in May. She discussed the possibilities of another type of tax. She said a utility tax would be more equitable.

Councilor Ralston was confident the fire and police levies would pass again. He agreed with Councilor Ballew that four year levies were not the way to do things, but agreed that once a levy passed to fund the jail, voters would continue to support it. He said a levy gave the city time to come up with another option. He did not believe it would cost as much as anticipated. He said making it as simple as possible was the only way to get a levy to pass. He felt a utility fee would be voted down. He said people understood the property tax.

Councilor Pishioneri said he was uncomfortable with using a levy for the jail. He gave examples of other levies that had failed in other communities. He noted the similar situation with the SERBU campus. He discussed the issue of the design of the justice center building with or without jail. The city needed to ask the voters if they wanted to fund the jail with fees or other means and he would prefer to ask them permanently. He said the city had the obligation to build the justice center. He said it was wrong to put a \$22M building on a gamble. He completely supported the fire and police levies.

Councilor Woodrow said he understood the situation with SERBU. He said the four year levy was not a good situation, but if citizens didn't support it, that would mean they did not want the city to build the jail. He said it would be up to the citizens. He discussed the amount that would be spent on the justice center whether or not the jail component was built. He said unless there was a means or process for a fee, a tax or levy out in time for staff to get it out there and a Political Action Committee (PAC) to get it out there, council would have to tell citizens nothing would be done. He said he appreciated the desire to split the tax between citizens and businesses, but he didn't feel it would work. He said citizens did support levies.

Councilor Ballew agreed that citizens did approve levies. She said she would like a staff report on the possibility of a tax on insurance.

Mr. Kelly said staff was looking into that option.

Mr. Bryant asked the Mayor if enough information had been given and a decision was ready to be made.

Councilor Fitch noted that the fire and police levies were enhancements, but this levy would be for a core service for jail operations. She discussed creation of a Library District and moving funding to fund jail operations. She discussed the issues with compression.

Councilor Pishioneri said he agreed with Councilor Woodrow for the most part. He said the voters should be asked how they would like to fund the jail operations because it would be the citizens' jail.

Councilor Fitch asked if all plans for the jail construction would be stopped if a levy failed in May. No.

Councilor Woodrow asked how long it would take to create a Library District.

Mr. Kelly said it would need to go through a Metro Plan change, similar to that done by the county.

Library Director Bob Russell said the soonest election it could go to voters would be May or November of 2008.

Councilor Woodrow said if a four year levy was passed in 2006 and the city worked toward forming a Library District, that could free up the funding for the jail to take over after the levy ran out.

Mr. Bryant reviewed the discussion by council that the levy would allow the time needed to find a permanent funding source, whether through formation of a Library District or some other way.

Mayor Leiken said Springfield representatives on the public safety committee tried to convince the county to go after a downpayment instead of a full measure. He said the idea of the levy was a downpayment until a permanent funding source could be found. He said they were running out of options. He discussed personal and business taxes and felt they would not pass. He said the city would need to tell voters the levy was the downpayment for a permanent solution.

Councilor Lundberg asked if council needed to make a final decision on which way they wanted to go regarding an item on the May ballot. She asked if they could come back in January with other options.

Mr. Duey said a simple levy could come back in January, but if council wanted to consider something more complicated, staff would need to get started on it now because it could take longer.

Mr. Bryant said staff would need to calculate a range for a jail funding levy.

Mr. Duey said the Jail Funding Committee had said the range could be in the low .40/thousand range if thirty beds were leased out, booking fees and other fees were charged or up to nearly .75/thousand if beds were not leased and fees charged.

Councilor Woodrow said it would need to be at least .75/thousand to hire and train new employees.

Mr. Duey said the rate wouldn't be as important tonight as how council wanted it structured.

Mr. Bryant said staff could work on a rate analysis during December for a five year levy.

Councilor Ralston said to keep it simple.

Councilor Fitch said one of the missions of the city was public safety as a key core. She said it caused her concern that the levy may not be renewed and that core service was lost.

Discussion was held regarding the impact of the levy not passing in future years.

Mr. Bryant spoke of the issues cities currently faced and the different options cities had to look at to fund services.

Councilor Pishioneri asked Chief Smith about the .75 cent levy, and how much of that went to the police department.

Chief Smith said all went to the Police Department except \$170,000 which went to court and \$40,000 to the City Prosecutor. He explained the breakdown, which included eight officers and five dispatchers. He said that detailed information could be brought to the Budget Committee meeting.

Mayor Leiken asked how many of the officers could be trained as certified officers for the jail.

Chief Smith said if a jail were in place, it was estimated that three officers and one dispatcher could be taken away from the levy and the community would not see the impact. He discussed other options. He said about \$400,000 could be traded off if the jail were operating.

Mr. Bryant said the levy amount for jail funding would be somewhere between .40/thousand and .75/thousand. Staff would come back with more analysis on the rate. He asked council if they wanted to continue on or end the meeting.

Council consensus was to continue.

H. Buildable Lands Inventory/UGB Expansion Strategy

Council agreed to go forward with this strategy using only city staff or donated resources (Options 1, 2 and 3 – see Item 5, Attachment H). Council requested the Lane County Administrator and Eugene City Manager be notified that Springfield would be working on this item. Ms. Pappas said she would notify them.

I. Building Preservation

Council would like an option somewhere between Options 2 and 3 (see Item 5, Attachment I). Council requested information on offsets, benefits and consequences.

J. Building Space Requirements

Council chose Options 1 and 2 (see Item 5, Attachment J)

K. BLM/Forest Service Pass-through Financing

Council agreed to sign the letter for the commitment on the BLM/Forest Service Building.

Councilor Woodrow referred to the attached letter and asked about phrasing regarding termination of the lease.

Mr. Duey addressed his question.

Mayor Leiken thanked Mr. Bryant for facilitating tonight's meeting. He said there was great benefit in having a facilitator for the meeting.

ADJOURNMENT

The meeting was adjourned at 9:15 p.m.

Minutes Recorder – Amy Sowa

Sidney W. Leiken
Mayor

Attest:

Amy Sowa
City Recorder